



MINUTES OF PROCEEDINGS

OTTAWA, Thursday, June 23, 2022

(11)

[English]

Pursuant to the order of the Senate of May 5, 2022, the Standing Committee on Internal Economy, Budgets and Administration met in camera and then proceeding in public, this day in room C128, Senate of Canada Building, and with videoconference at 11:30 a.m., the Chair, the Honourable Sabi Marwah, presiding.

Members of the committee present: The Honourable Senators Bovey, Campbell, Dawson, Dean, Marshall, Marwah, Moncion, Pate, Plett, Saint-Germain, Seidman, Smith and Tannas (13).

Members of the committee present by videoconference: The Honourable Senators Forest, Gagné, and Moodie (3).

Participating in the meeting: Pascale Legault, Chief Corporate Services Officer and Clerk of the Standing Committee on Internal Economy, Budgets and Administration; Gérald Lafrenière, Interim Clerk of the Senate and Clerk of the Parliaments and Chief Legislative Services Officer; Philippe Hallée, Law Clerk and Parliamentary Counsel; senior Senate officials and other support staff.

WITNESSES:

The Honourable Senator Lucie Moncion, Chair, Subcommittee on the Senate Estimates and Committee Budgets;

Shaila Anwar, Clerk Assistant, Committees Directorate;

Charles Feldman, Parliamentary Counsel, Office of the Law Clerk and Parliamentary Counsel (*by videoconference*);

Till Heyde, Clerk Assistant, Chamber Operations and Procedure;

Pierre Lanctôt, Chief Financial Officer, Finance and Procurement Directorate (*by videoconference*);

David Vatcher, Director, Information Services Directorate (*by videoconference*).

Pursuant to rule 12-7. (1) of the *Rules of the Senate*, the committee continued its consideration of financial and administrative matters concerning the Senate's internal administration.

At 11:55 p.m., the committee suspended.

At 11:56 p.m., the committee resumed in public.

The Chair made a statement.

The Chair introduced all senators that were present.

CIBA/2022-06-23/124(P) — Adoption of *Minutes of Proceedings* from June 9, 2022 (public)

The committee considered the Minutes of Proceedings from June 9, 2022 (public).

The Honourable Senator Tannas moved that the *Minutes of Proceedings* of Thursday, June 9, 2022 (public), be adopted.

The question being put on the motion, it was adopted.

CIBA/2022-06-23/125(P) — Report from the Subcommittee on the Senate Estimates and Committee Budgets — Delegation of Financial Authorities Policy

The chair of the Subcommittee on the Senate Estimates and Committee Budgets, the Honourable Senator Moncion, presented the subcommittee's Sixth Report as follows:

Thursday, June 23, 2022

The Subcommittee on the Senate Estimates and Committee Budgets (SEBS) of the Standing Committee on Internal Economy, Budgets and Administration (CIBA) has the honour to present its

SIXTH REPORT

BACKGROUND

Pursuant to the *Parliament of Canada Act*, CIBA acts upon all financial, administrative and human resources matters with respect to the Senate, as well as its assets and premises. As it would be impossible for CIBA to carry out all the responsibilities for the control and spending of Senate resources from an administrative point of view, certain financial authorities must be delegated to Senators or employees within the Senate Administration and Senators' offices.

The positions to which financial authorities have been delegated and their related authority limits are identified in the *Delegation of Financial Authorities Policy*.

As a part of the Senate Policy Suite Renewal (SPSR) project, the current *Delegation of Financial Authorities Policy*, which includes a detailed matrix on delegated authorities, was reviewed and updated by the Finance and Procurement Directorate, after extensive consultations with Senate directorates and SEBS.

The final step in the process is to seek CIBA's approval for a targeted implementation date of September 1, 2022.

ANALYSIS

The content of the policy, matrix and notes is aligned with current practices for public and private sectors. The Finance and Procurement Directorate, when updating the policy and matrix, analyzed good practices, leveraged team members' experience and knowledge with other organizations, and reviewed documentation from and/or consulted with the House of Commons, the Library of Parliament, the National Capital Commission, the Parliamentary Protective Service, and the current Treasury Board Directive on Delegation of Spending and Financial Authorities.

The proposed policy and updated matrix are based on the following key principles:

- **Clarity and practicality:** Delegation of financial authorities is clear and practical to all individuals who use or apply them.
- **Transactional limits based on needs and accountability:** Delegated financial authorities to employees are effective and reflect organizational needs. The maximum amounts delegated allow for the right decisions to be taken at the appropriate level while managing risks. Delegated financial authorities increase with hierarchical levels, and accountability for decision-making is clear.
- **Segregation of duties:** The delegated financial authorities reflect an appropriate segregation of duties while ensuring the organization has a strong internal control to prevent errors and fraud.
- **Control:** The delegated financial authorities provide controls to ensure the effective and efficient use of its financial resources and safeguard public assets.

Key changes include the following:

- spending authorities are strengthened to increase control and ensure approvals are made at the right hierarchical level;
- specific financial authorities are assigned to CIBA to reflect the actual decision-making role of the committee and ensure proper control: for example, expenditure initiation over \$125,000 would require approval by CIBA, which will align with the requirement to approve procurement processes;
- signing of contractual agreements and amendments are more restrictive with authorities for higher value contract assigned to the Chief Corporate Services Officer and the Chief Financial Officer; and
- additional authorities are identified for specific non-recurring financial transactions such as asset disposition, write-offs, legal settlements and budget transfers.

Policy

The policy applies to all employees of the Senate Administration whose responsibilities entail the use, management and oversight of the financial resources of the Senate. It also applies to the Administration's transactions that are subject to the financial authorities assumed by CIBA.

Financial authorities delegated to Senators with respect to Senators' and House Officers' budgets are excluded from this policy, as they are prescribed in the *Senators' Office Management Policy* (SOMP).

The policy seeks to ensure that:

- governance and oversight of spending and financial authorities are effective;
- financial transactions are only approved by those with the appropriate level of authority;
- responsibilities and accountabilities with respect to delegated financial authorities are clearly defined; and
- the scope and limitations of delegated authorities are properly communicated and understood.

The policy was updated to reflect the key principles above and changes to roles and responsibilities and to align with the governance structure and position titles.

Matrix

The matrix outlines the authorities for the control and spending of Senate resources for key positions for matters relating to human resources, administration and financial management.

To ensure that approval of transactions is aligned with the matrix, financial authorities will be integrated into the approval workflows of the Resource Management System (Unit4).

COMMUNICATION

Senate employees with financial delegated authorities and employees involved in the use, management and oversight of the financial resources of the Senate will receive mandatory training to be completed prior to the implementation date.

Furthermore, they will be required to provide an attestation in writing regarding acknowledgement of their responsibilities as per the following: *"I accept and understand the nature and extent of the financial authorities delegated to me. I have read and understood the Delegation of Financial Signing Authorities Policy, the Procurement Policy and all other relevant policies. I acknowledge that I am responsible for acting in accordance with these policies. I confirm that I have received sufficient support to understand and assist me in the exercise of my delegated authorities."*

RECOMMENDATIONS

The proposed policy and updated matrix and corresponding notes are designed to improve clarity on delegated authority, align with current leading practices and strengthen financial control by using a structure of delegated financial authorities that align the materiality level of transactions with the organizational hierarchy.

Therefore, it is recommended that the proposed policy and updated matrix and corresponding notes be approved; and

That a targeted implementation date of the updated financial delegation of authorities be September 1, 2022.

Respectfully submitted,

LUCIE MONCION

Chair

The Honourable Senator Moncion made a statement.

After debate, the Honourable Senator Moncion moved that the subcommittee's Sixth Report be adopted.

The question being put on the motion, it was adopted.

CIBA/2022-06-23/126(P) — Report from the Subcommittee on the Senate Estimates and Committee Budgets

The chair of the Subcommittee on the Senate Estimates and Committee Budgets, the Honourable Senator Moncion, presented the subcommittee's Seventh Report as follows:

Thursday, June 23, 2022

The Subcommittee on the Senate Estimates and Committee Budgets of the Standing Committee on Internal Economy, Budgets and Administration has the honour to present its

SEVENTH REPORT

BACKGROUND

Your subcommittee met on May 24 to review budget requests from seven (7) committees. Your subcommittee presented a report to CIBA recommending the release of funds for \$914,744. This report was adopted by the committee on June 9, 2022, leaving a balance of \$967,256 for the remainder of the fiscal year.

Your subcommittee reconvened on June 22, 2022, to consider two new budget requests totaling \$5,294 submitted by the Standing Committee on Human Rights (RIDR) and the Standing Committee on Fisheries and Oceans (POFO).

ANALYSIS - RIDR

Your subcommittee first considered the budget request from RIDR. Senator Ataullahjan, Chair of the committee, and Senator Boyer, a member of the committee, appeared before your subcommittee to explain the budget request for an additional \$3,700.

This request is in relation to the Committee's study on the human rights generally, but more specifically on the topic of the forced and coerced sterilization of persons in Canada and includes a request for funds for one witness and an accompanying person to travel to Ottawa to attend the committee's press conference on their report.

On June 9, CIBA approved the release of \$313,618 for the committee to conduct a fact-finding mission and public hearings on Islamophobia in Canada. The additional request, if approved, would bring the total of funds released to the Human Rights committee to \$317,318 for the current fiscal year.

While your subcommittee is sympathetic to the motivations behind this supplementary budget request, it is uncomfortable with the precedent it might set. The funds allocated to committee activities should be used for committees to hold public hearings outside of Ottawa and to conduct fact-finding missions. Given the subcommittee's responsibility to ensure that the allocation of these funds is fair, transparent and accountable to the Canadian public, your subcommittee must first be guided by the *Rules of the Senate* that authorize the release of funds for witnesses to travel to Ottawa when they are invited to appear at an official committee meeting. Your subcommittee also recognizes the crucial contributions made by witnesses to inform committee activities. However, it reiterates that committee reports are the voice and contain the conclusions of senators.

While press conferences are important tools for the promotion of committee reports and the important work that senators do, your subcommittee is mindful of the fact that there are a multitude of options available to committees to promote their work that do not require the use of funds set aside for committee activities. The pandemic has allowed us to leverage the use of virtual technologies. Your subcommittee therefore encourages the RIDR committee to take advantage of those virtual options, which the public, including the media and witnesses, are very familiar and comfortable with.

Your subcommittee emphasizes that it does not wish to make this decision in isolation, because of its possible impact on future requests. For that reason, it feels it is more appropriate to bring this matter to CIBA for guidance.

ANALYSIS - POFO

Your subcommittee then met again with the chair of the Fisheries and Oceans Committee. On June 9, the Committee submitted a budget request to SEBS with proposed expenditures of \$28,587 for six (6) senators to participate in a press conference in Halifax for the launch of their report on the implementation of Indigenous rights-based fisheries across Canada.

Your subcommittee felt that sending six senators and two staff to a one-day press conference was excessive, particularly when senators have other options. Consequently, your subcommittee recommended that CIBA approve a partial release of funds to allow two senators and two staff to attend the press conference in person, which reduced the total amount for this activity to \$19,825.

Earlier this week, your subcommittee received a request to reconsider this decision to include one additional senator who would represent the francophone community, to accompany the chair and one committee member with ties to the indigenous community. The costs to include

one additional committee member would be \$1,594. If this partial release is approved, it would bring the total amount released for this activity to \$21,419.

After careful consideration of this request, your subcommittee remains of the view that its decision to approve four (4) participants for this activity is sound and in keeping with the principles of fairness, transparency, accountability and good governance.

Therefore, your subcommittee does not recommend approval of this request for additional funds. However, your subcommittee has no objection with the committee choosing to include three (3) senators and one (1) staff member in its delegation instead.

CONCLUSION AND RECOMMENDATION

Your subcommittee does not take its responsibilities lightly. Its priority is to consider the overall picture of Senate spending. As noted, the concerns expressed by your subcommittee are not about the specific amounts being requested in these two budgets, but rather on the precedents that they may set, both in terms of widening the scope of what expenses the Senate will allow for its committees, but also on the well-established committee budget process. Based on the *Rules of the Senate* and the *Senate Administrative Rules*, this long-standing process mandates your subcommittee to review requests, make recommendations and then have them be presented to CIBA and eventually to the Senate for approval.

Your subcommittee is open to ideas and proposals that may be innovative and unprecedented. However, it remains its responsibility to ensure that budget requests conform to our rules, long-standing practices and procedures.

In the case of the request from the Human Rights committee, your subcommittee recognizes the unique nature of the request, but feels strongly that it goes beyond the mandate of your subcommittee and therefore merits further discussion at CIBA. Your subcommittee looks forward to CIBA's guidance on the points raised in this report.

Taking into consideration the analysis provided, your subcommittee recommends the adoption of this report.

Respectfully submitted,

LUCIE MONCION

Chair

The Honourable Senator Moncion made a statement and answered questions.

After debate, the Honourable Senator Moncion moved that the subcommittee's Seventh Report be adopted.

The question being put on the motion, it was adopted.

CIBA/2022-06-23/127(P) — Report from the Subcommittee on Agenda and Procedure — Bi-Annual Exemptions to *Senators' Office Management Policy*

The Honourable Senator Marwah tabled the Sixth Report of the Subcommittee on Agenda and Procedure on the exemption and exception requests to the *Senators' Office Management Policy* that it has received and the corresponding decisions since December 9, 2021.

Thursday, June 23, 2022

The Subcommittee on Agenda and Procedure of the Standing Committee on Internal Economy, Budgets and Administration has the honour to table its

SIXTH REPORT

Pursuant to Section 1.6.2 of the *Senators' Office Management Policy*, the subcommittee now tables a report on the exemption and exception requests to the policy that it has received and the corresponding decisions since December 9, 2022.

1. Travel Expense Claim

The subcommittee received a request from the Honourable Senator Woo for an exception to Section 7.1.3 to reimburse travel expenditures related to parliamentary function. The subcommittee approved the exception due to the exceptional circumstances of the COVID-19 pandemic.

2. Travel Extension Request

The subcommittee received a request from the former Honourable Senator Doyle for an exception to Section 8.4.3 to extend the use of travel points after retirement. The subcommittee agreed to extend the deadline until November 11, 2022 due to the exceptional circumstances of the COVID-19 pandemic.

3. Travel Extension Request

The subcommittee received a request from the former Honourable Senator Munson for an exception to Section 8.4.3 to extend the use of travel points after retirement. The subcommittee agreed to extend the deadline to allow the former Senator Munson to attend an event taking place from August 28 to the 30th, 2022, due to the exceptional circumstances of the COVID-19 pandemic.

4. Travel Exemption

The subcommittee received a request from the Honourable Senator Arnot for an exemption to Section 7.1.7 to reimburse travel expenditures related to parliamentary function. The subcommittee approved the exemption due to the exceptional circumstances of the COVID-19 pandemic, until the hybrid motion has expired.

5. Second Point of Departure and Arrival

The subcommittee received and denied a request from the Honourable Senator Woo for an exemption to Section 7.1.7 for the recognition of a second provincial/territorial residence.

6. Designated Traveler Status

The subcommittee received and approved a request from the Honourable Senator Christmas for an exemption to Section 7.4.2 to appoint a family member as his designated traveler.

Respectfully submitted,

SABI MARWAH

Chair

CIBA/2022-06-23/128(P) — Senate Cloud Adoption Initiative

David Vatcher made a statement and answered questions regarding the use of cloud services for storage of Senate information.

After debate, the Honourable Senator Dawson moved that the Information Services Directorate be permitted to launch its Senate Cloud Adoption Initiative based on its migration plan.

The question being put on the motion, it was adopted.

CIBA/2022-06-23/129(P) — Legal Assistance and Indemnification Policy

Charles Feldman made a statement and answered questions regarding the proposed changes to the *Senate Legal Assistance and Indemnification Policy*.

After debate, the Honourable Senator Dean moved that CIBA approve the revised *Legal Assistance and Indemnification Policy* and modify the *Senators' Office Management Policy* by adding a new section as follows:

5.17.2 Pursuant to sections 8 and 9 of Chapter 4:03 of the SARs, senators may not use their office budget to cover the cost of legal assistance or indemnification as defined in the *Senate Legal Assistance and Indemnification Policy*. However, they may use their office budget to retain the services of a legal professional for the purpose of conducting legal research on a matter relating to their parliamentary functions. Senators are encouraged to first consult with the Office of the Law Clerk and Parliamentary Counsel with respect to all matters for which they require legal advice.

The question being put on the motion, it was adopted.

CIBA/2022-06-23/130(P) — Request for Additional Full Time Employees for Committees Directorate

Shaila Anwar made a statement and answered questions regarding a request for additional full-time employees for the committees directorate.

After debate, the Honourable Senator Plett moved that the Committees Directorate be permitted to hire 2.0 full time equivalents (FTEs) (one Procedural Clerk, SEN-09, and one Administrative Assistant, SEN-05), for the amount of \$185,767 per fiscal year, on a permanent basis.

The question being put on the motion, it was adopted.

CIBA/2022-06-23/131(P) — Remote Access to Senate Proceedings for Support Services

Till Heyde made a statement and, together with Gérald Lafrenière, answered questions regarding remote access to Senate proceeding for transcription and other support services.

After debate, the Honourable Senator Dean moved that the Senate continue to enable remote audio and video feeds for all Senate proceedings for staff at Debates and Publications.

The question being put on the motion, it was adopted, on division.

CIBA/2022-06-23/132(P) — Other Matters

The chair informed members that the revised report of the Advisory Working Group on Artwork and Heritage Assets Working Group was included in the minutes of May 19, 2022.

The Honourable Senator Marwah made a statement announcing his resignation as chair of the committee.

CIBA/2022-06-23/133(P) — Election of chair

The clerk of the committee presided over the election of the chair.

The Honourable Senator Saint-Germain moved that the Honourable Senator Moncion do take the chair of this committee.

The question being put on the motion, it was adopted.

The chair made a statement.

The Honourable Senators Dean, Plett, Campbell and Dawson each made a statement.

At 1:20 p.m., the committee adjourned to the call of the chair.

ATTEST:

Pascale Legault

*Chief Corporate Services Officer and Clerk of the Standing Committee on
Internal Economy, Budgets and Administration*

Keli Hogan

Recording Secretary